



DEPARTMENT OF THE ARMY
U.S. Army Corps of Engineers
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

CEPR-P (715)

20 September 1996

**MEMORANDUM FOR COMMANDER, ALL MAJOR SUBORDINATE COMMANDS,
DISTRICT COMMANDS, FIELD OPERATING ACTIVITIES,
AND LABORATORIES, ATTN: DIRECTORS/CHIEFS OF
CONTRACTING DIVISION**

**SUBJECT: PARC Instruction Letter 96-6: Acquisition Letter 96-3 - Purchase of
Commercial Items Valued Between \$2,500 and \$25,000 Using the IMPAC Purchase Card**

1. References:

a. Memorandum, SFRD-KP, 24 Aug 95, Subject Simplified Acquisitions and the IMPAC Credit Card Program (enclosed).

b. Acquisition Letter 96-3, dated 17 July 96, subject same as above.

2. After discussion with Army (SFAE-CSA-PPP), the intent of both of these documents is to allow those individuals appointed as credit card holders the authority to make purchases over \$2,500 and up to \$25,000 via a method similar to a BPA. To call them BPAs would require reviews, rotation of calls, and other controls, that would have a negative impact upon workload and increase administrative costs.

3. All procurement actions over \$2,500 through the credit card become only payment methods, and there are numerous statutory and regulatory provisions that apply to these acquisitions. Therefore, contracting officers must ensure clauses that are appropriate to the particular requirement are included in any agreement.

4. As a result of discussions with Army, we do not have to call these agreements BPA's. Hereinafter these agreements in the Corps of Engineers will be designated as "Basic Agreements for Credit Cards" (BACC's). Therefore, contracting officers shall establish a procedure (see enclosed sample) that would include all appropriate clauses for supplies and services with vendors who provide supplies or services through the credit card program between \$2,500 and \$25,000. The vendors must sign the document, hold a copy on file, and return one signed copy to the contracting office for file, the contracting officer in turn provides a copy to the cardholder. The cardholder may then place orders only to those vendors, and only orders valued between \$2,500 and \$25,000. The Authentication signature must be that of a duly warranted PCO. As a reminder, individuals outside of the contracting office must complete Purchasing Fundamentals and Intermediate Purchasing courses before they can be authorized to use the BACC.

CEPR-P

SUBJECT: PARC Instruction Letter 96-6: Acquisition Letter 96-3 - Purchase of Commercial Items Valued Between \$2,500 and \$25,000 Using the IMPAC Purchase Card

5. I hereby determine that it is impracticable to solicit offers via FACNET when the solicitation will be oral and payment is to be made under a Basic Agreement for Credit Cards (BACC), or any other order, including online orders from GSA or DLA or FAR Subpart 8 mandatory sources using the Government-wide Commercial Credit Card Program.

6. My points of contact for this action are Mr. Wes Eubanks, 202-761-8641, Mr. Jerry Merchant, 202-761-8643, or Mr. Hugh Roberts 202-761-5220.

FOR THE COMMANDER:

Encl



**BERT A. MILLIKIN, CPCM
Acting, Principal Assistant
Responsible for Contracting**

Acceptance of Clauses Certification for Supplies and/or Services (\$2,500-\$25,000) via IMPAC Credit Card

The undersigned contractor hereby agrees that the following clauses are incorporated and made part thereto of each IMPAC credit card purchase for supplies and/or services (\$2,500 - \$25,000) made on behalf of the US Government by an authorized IMPAC card holder.

The undersigned agrees to full comply with the clauses identified below which are incorporated by reference with the same force and effect as if set forth in full text. The undersigned agrees to comply with any new regulations which may be promulgated by the Federal Acquisition Regulation (FAR) or the Defense Federal Acquisition Regulation (DFARS). FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (JUN 1988) states "This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available."

CLAUSE	TITLE	DATE
52.203-3	GRATUITIES	(APR 1984)

52.211-5	NEW MATERIAL	(MAY 1995)
----------	--------------	------------

52.211-6	LISTING OF OTHER THAN NEW MATERIAL	(MAY 1995)
----------	------------------------------------	------------

52.211-7	OTHER THAN NEW MATERIAL, RESIDUAL INVENTORY, AND FORMER GOVT. SURPLUS PROPERTY	(MAY 1995)
----------	--	------------

52.213-2	INVOICES	(APR 1984)
----------	----------	------------

52.213-3	NOTICE TO SUPPLIER	(APR 1984)
----------	--------------------	------------

52.219-1	SMALL BUSINESS PROGRAM REPRESENTATIONS	(OCT 1995)
----------	--	------------

52.222-3	CONVICT LABOR	(APR 1984)
----------	---------------	------------

52.225-3	BUY AMERICAN ACT SUPPLIES	(JAN 1994)
----------	---------------------------	------------

52.246-4	INSPECTION OF SUPPLIES--FIXED PRICE	(APR 1984)
----------	-------------------------------------	------------

52.246-4	INSPECTION OF SERVICES--FIXED PRICE	(FEB 1992)
----------	-------------------------------------	------------

52.249-4	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (SERVICES) SHORT FORM	(APR 1984)
----------	---	------------

The undersigned hereby acknowledges and accepts the terms and conditions as stated above for each IMPAC charge card purchase and certifies it is not presently debarred, suspended, or declared ineligible for award of contracts by any Federal agency. This certification shall remain in force for the entire fiscal year in which it was executed.

ACKNOWLEDGED AND ACCEPTED BY:

(VENDOR'S AUTHORIZED REPRESENTATIVE - FULL NAME AND TITLE)

DATE:

COMPANY'S NAME AND ADDRESS:

WOMAN OWNED: YES ☐ NO ☐ SMALL BUSINESS: YES ☐ NO ☐

DATE:

VENDOR ID:

(CONTRACTING OFFICER'S SIGNATURE)



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH DEVELOPMENT AND ACQUISITION
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

24 AUG 1995



REPLY TO
ATTENTION OF

SFRD-KP

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Simplified Acquisitions and the IMPAC Credit Card Program

Several discussions with Army IMPAC Program Coordinators regarding the effect of the Federal Acquisition Streamlining Act (FASA) on the IMPAC program have surfaced areas needing additional clarification and guidance.

The single purchase limit for nonprocurement personnel is the micro purchase threshold; i.e., \$2,500. Sixty-eight percent (68%) of the Army's FY 1994 contract actions were valued at or below this threshold. The IMPAC Credit Card provides an excellent tool which we in the contracting community can use to leverage our declining resources. The program may be used to provide non-procurement personnel with the authority to make micro purchases, thereby relieving the contracting function of repetitive and relatively simple but time-consuming procurements.

Procurement personnel with appropriate training and experience may be authorized to use the card up to \$50,000 (\$100,000 at FACNET-certified activities) for payment purposes when all statutory and regulatory requirements are met. Requirements such as contract reporting (FAR Part 4), publicizing (to include posting) (FAR Part 5), required sources (FAR Part 8), competition, small business reservation, and use of contract clauses required by statute (FAR Part 13) apply to all procurements over \$2500 made using the card.

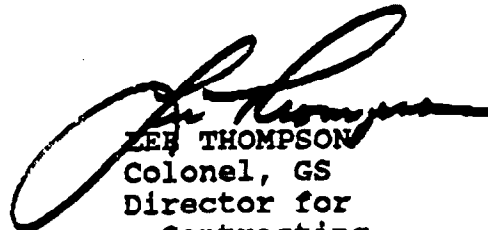
Remember, at or below \$2,500, the card is being used as an authorized procurement method because FASA waived numerous statutory requirements, and the implementation of FASA in the FAR waived some regulatory requirements. Over \$2,500, the card is only a payment method because those numerous statutory and regulatory provisions still apply. Therefore, for buys over

-2-

\$2,500 a simplified acquisition procedure authorized by FAR Part 13 (e.g., FACNET, or DD 1155) must be used in conjunction with the credit card payment transaction.

The card may also be used to place calls or orders, up to the simplified acquisition threshold, under existing contracts or agreements (BPAs, Requirements Contracts, and GSA Schedules) that include the required statutory and regulatory requirements.

Contracting offices shall not issue IMPAC cards to contractors. If contractors working on cost type contracts request cards, forward their requests to Rocky Mountain BankCard System. While the IMPAC program offers many benefits and can further streamline the current acquisition process, the Army's intent is to maximize these benefits through use of the card on micro purchases. Judicious and proper use of the card for purchases over the micro purchase threshold is essential.



LEE THOMPSON
Colonel, GS
Director for
Contracting

DISTRIBUTION:

Acting Chief, Assessment & Evaluation Division
HQ, U.S. Army Materiel Command, ATTN: AMCAQ-E,
5001 Eisenhower Avenue, Alexandria, VA 22333-0001
Deputy for Acquisition, U.S. Army Armament, Munitions
and Chemical Command, ATTN: AMSMC-DP, Rock Island,
IL 61299-6000
Executive Director, Acquisition Center, U.S. Army
Aviation and Troop Command, ATTN: AMSAT-A-Z, 4300
Goodfellow Boulevard, St. Louis, MO 63120-1798
Director (C4IEW) Acquisition Center, U.S. Army
Communications-Electronics Command, ATTN: AMSEL-AC,
Fort Monmouth, NJ 07703-5000
Director of Procurement, U.S. Army Research
Laboratory, ATTN: AMSRL-OP-PR, 2800 Powder Mill
Road, Adelphi, MD 20783-1197
Director of Acquisition Center, U.S. Army Missile
Command, ATTN: AMSMI-AC, Redstone Arsenal, AL
35898-5280



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH DEVELOPMENT AND ACQUISITION
103 ARMY PENTAGON
WASHINGTON DC 20310-0103



REPLY TO
ATTENTION OF

107 JUL 1996

SFAE-CSA-PPP

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Acquisition Letter 96-3 - Purchase of
Commercial Items Valued Between \$2,500 and
\$25,000 Using the IMPAC Purchase Card

The Federal Acquisition Regulation encourages contracting officials to use innovative approaches in awarding contracts using simplified acquisition procedures. The combined use of oral solicitations, the new Commercial Items Procedures, Simplified Acquisition Procedures, and the Government-wide Commercial Credit Card offer greater efficiencies than the current processes for procuring commercial items valued between \$2,500 and \$25,000. To this end, the below streamlined procedures are provided as guidance and should be used to the maximum extent practicable.

Contracting activities should establish Blanket Purchase Agreements (BPA(s)) with small businesses interested in bidding on oral solicitations for commercial supplies valued between \$2,500 and \$25,000 in which the Government-wide commercial credit card would be used as the method of payment. The BPA(s) should incorporate only those clauses from FAR 52.212-5, Contract Terms and Conditions Required to Implement Statutes or Executive Orders - Commercial Items, applicable for purchases in the dollar range identified. The Head of the Contracting Activity must make the required determination regarding the impracticability of processing solicitations via FACNET when the solicitation will be oral and payment is to be made under BPA(s) or other orders with the IMPAC card.

Contracting offices shall establish and provide the List of these credit card-only BPAs to cardholders with authority to place verbal orders against the agreements. Authority is hereby granted to deviate from DFARS 213.203-1(i) and use the attached BPA format in lieu of DD Form 1155, Order for Supplies or Services. Contracting offices shall follow procedures in AFARS 13.2, Blanket Purchase Agreements, in the selection and appointment of individuals to place calls against these BPA(s). This deviation has been assigned

State Distribution to Director/Chief, Contracting Division.

25 Jul 96

for THOMAS J. QUIGLEY
Acting Principal Assistant
Responsible for Contr.

But A. McMillan



-2-

Army Deviation Control Number 96-DEV-5, which should be cited in each BPA file. The deviation authority will expire on July 31, 1998, unless sooner rescinded or superseded.

The attached agreement is for supplies only. Contracting officers may enter into similar agreements for services provided that all applicable Service Contract Act clauses and wage determinations are incorporated.

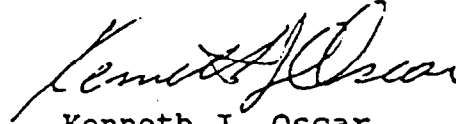
Cardholders (procurement and nonprocurement) which have been given authority to place orders against the agreements shall orally solicit supplies valued between \$2,500 and \$25,000 only from contractors on the IMPAC BPA List. A reasonable number of sources must be solicited to achieve effective competition to the maximum extent practicable (generally three sources). In addition to normal credit card requirements, cardholders shall maintain records of oral price quotations to reflect the propriety of placing the order at the price paid with the supplier concerned. Verbal orders over \$2,500 are also reportable on DD Form 1057.

Contracting officers should tailor the listing at FAR 52.212-4&5 to ensure clauses that are appropriate to the particular requirement are part of any agreement and subsequently incorporated into the contract. Preliminary review of FAR 52-212-5 show clauses 52.222-3, 52.222-26 (over \$10,000), 52.222-35 (over \$10,000), 52.222-36, 52.222-37 (over \$10,000), 52.225-3, 52.225-9, 52.225-17, 52.225-18, 52.225-19, and 52.225-21 may be applicable to awards valued between \$2,500 and \$25,000.

The IMPAC BPA List should be updated on a routine basis or as interested small businesses request to be added. Activities should also use bulk funding to the maximum extent possible to reduce processing time, handling and documentation, especially if numerous purchases using the same type to funds are to be made during a given period.

-3-

If you have questions on this procedure, please
contact Mr. Bruce Sullivan, Army IMPAC Program
Coordinator at (703) 681-7564/(DSN) 761-7564.



Kenneth J. Oscar
Deputy Assistant Secretary of the Army
(Procurement)

Attachment

SUBJECT: Purchase of Commercial Items Valued Between \$2,500 and \$25,000 Using the IMPAC Purchase Card

The undersigned contractor hereby agrees to incorporate the below listed clauses in each order valued between \$2,500 and \$25,000 made with the Government-wide credit card by an authorized IMPAC cardholder. The undersigned agrees to fully comply with the above clauses which are incorporated by reference with the same force and effect as if set forth in full text in the Credit Card Transaction Agreement.

- 52.222-3 Convict Labor (E.O. 11755)
- 52.222-36 Affirmative Action for Handicapped Workers (29 U.S.C. 793)
- 52.225-3 Buy American Act - Supplies (41 U.S.C. 10)
- 52.225-9 Buy American Act
- 52.225-17 Buy American Act
- 52.225-18 European Community Sanctions for End Products (E.O. 12849)
- 52.225-19 European Community Sanctions
- 52.225-21 Buy American Act

The following clauses may also apply to orders over \$10,000:

- 52.222-26 Equal Opportunity (E.O. 11246)
- 52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (38 U.S.C. 4212)
- 52.222-37 Veterans of the Vietnam Era (38 U.S.C. 4212)

The undersigned also represents and certifies that the contractor is: ☐ a small business concern
☐ a small disadvantaged business concern ☐ a woman-owned small business concern ☐ not debarred, suspended, or declared ineligible for award of contracts by any federal agency.

Contractor Signature
Contracting Officer Signature